

Suggested Remarks
Jon D. Lindborg
USAID Mission Director
MABS EAGLE Achievement Awards
7:00 p.m., June 12, 2007
Centennial Hall A, Manila Hotel

(Acknowledge distinguished guests - listing to be provided by MABS)

Good evening!

I am delighted to see so many MABS Participating Bankers in the room this evening and to join you tonight to honor this year's EAGLE Awardees.

We at USAID are pleased to see that the efforts of the RBAP-MABS program are bearing fruit.

The MABS Program is aimed at increasing the capability of rural banks to profitably provide

financial services to the microenterprise sector.

A famous Greek orator, once said: **"Small opportunities are often the beginning of great enterprises."**

As you all know, the MABS program started out working with a few small rural banks in Mindanao which saw an "opportunity" in working with microenterprises. At that time, the majority of rural banks were reluctant to offer micro-loans because of negative perceptions about working with this sector. But today, MABS' investment has paid off. We look at several banks here tonight, especially those that will be honored this evening, and we see the growth that these banks have achieved by investing in "small opportunities." Many of these banks have grown to become great enterprises, and the same is true for many of their clients as well.

I think of the story of Orlando Dulay, who started out making buko (coconut) pies with a small loan of 5,000 pesos from his aunt back in 1996. At that time his gross sales were just 150 pesos a day. A few years later, as his business began to expand, he approached First Isabela Cooperative Bank (better known as FICO Bank, a MABS participating bank) and borrowed 5,000 pesos to get an industrial oven. Two years later, Orlando Dulay was awarded the Citigroup Microentrepreneur of the Year for Luzon, and with newspapers and television shows featuring Dulay's buko pies, his business expanded rapidly and his "small opportunity" is today a "great enterprise." From an initial loan of 5,000 pesos with sales of only 150 pesos, he now grosses more than 100,000 pesos daily. His enterprise now employs more than 20 workers.

I am pleased to see that RBAP and the MABS program are committed to transparency. I always say that "a little bit of sunshine is great

medicine." It is good to see that RBAP and the MABS Participating Rural Banks have aligned themselves with the Microfinance Information eXchange Market (better known as the MIX Market). It is an honor to also have Valiant Bank, a MABS Participating Rural Bank, as the first Filipino Rural Bank winner of Consultative Group to Assist the Poorest (CGAP) Financial Transparency Merit Award. Let's congratulate Valiant Bank.

(Pause for applause)

I hope to see many more awardees in the years to come.

These successes attest to the importance of partnerships. The MABS program has always been about partnerships. All of the great accomplishments of the rural banks would not have been possible without the strong partnership and support of the Bangko Sentral ng Pilipinas. BSP's commitment to expand microfinance services among banks has always

been very clear from the start. We also have to thank the Department of Finance and the National Credit Council for establishing and supporting an appropriate enabling environment with a focus on pursuing a liberalized market-oriented economy. In this setting, greater private sector participation is encouraged and government's role is to provide the appropriate enabling policy and regulatory environment for microfinance development. It is due to policies like these that we now see rural banks focusing on mobilizing savings and becoming independent financial intermediaries. No longer are rural banks seen as conduits of government or donor credit programs but as market-oriented, private sector players providing full financial services, including loans and deposit services, to microenterprises.

I would like to acknowledge the strong support provided by our private sector allies and partners such as the MABS Services Providers, PUNLA SA TAO and ARMDEV, who provide excellent technical assistance and training support to new

MABS participating rural banks. We also thank the RB 2000 service providers, ISEC and ASEC, for their commitment and support for RB 2000.

Special thanks to the Bankers Association of the Philippines, especially for their support to expand the BAP-Credit Bureau to rural banks. We hope to see the early passage of the Credit Information System Act which I know RBAP, the BAP, and the Chamber of Thrift Banks have all been lobbying for over the past two years. Again it is these partnerships and alliances that make things happen.

We thank the Microfinance Council of the Philippines whose close collaboration with RBAP-MABS has encouraged more active rural bank participation in the MIX Market and the search for Citibank Microentrepreneur of the Year awardees which have become such an inspiration to microentrepreneurs in the Philippines. We thank the Bank of the Philippine Islands and its Foundation, which recently established a loan facility for rural banks to access MABS

technical assistance. We are pleased to see the investment that banks like BPI and Citibank are now making to support microfinance efforts of rural banks.

And of course let me acknowledge, the strong alliance and partnership that RBAP-MABS has with Globe Telecom through its subsidiary G-Xchange for the expansion of mobile phone banking and mobile commerce solutions through the G-Cash platform. This is really an excellent example of why partnerships and alliances are so important.

Finally, let me thank and acknowledge the work of the entire MABS team and our contractor, Chemonics International for the great job in implementing the Program and achieving the objective of expanding availability of financial services to microentrepreneurs.

Tonight is about excellence and our EAGLE Awardees who embody that ideal. I would like to

end my message tonight with a quote from the great Henry Ford who said: 'If you think you can, you can. If you think you can't, you are right.' This quote is all about having the right mindset, determination, discipline, persistence, and integrity and this is what the EAGLE Awards are all about. Tonight our EAGLE Awardees and their TEAM consisting of the bank owners, managers and staff think they can!

Thank you and Maraming Salamat!